



**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

**FILED**

02-04-08

04:59 PM

Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities.	Investigation 07-01-022 (Filed January 11, 2007)
In the Matter of the Application of Golden State Water Company (U 133 E) for Authority to Implement Changes in Ratesetting Mechanisms and Reallocation of Rates.	Application 06-09-006 (Filed September 6, 2006)
Application of California Water Service Company (U 60 W), a California Corporation, requesting an order from the California Public Utilities Commission Authorizing Applicant to Establish a Water Revenue Balancing Account, a Conservation Memorandum Account, and Implement Increasing Block Rates.	Application 06-10-026 (Filed October 23, 2006)
Application of Park Water Company (U 314 W) for Authority to Implement a Water Revenue Adjustment Mechanism, Increasing Block Rate Design and a Conservation Memorandum Account.	Application 06-11-009 (Filed November 20, 2006)
Application of Suburban Water Systems (U 339 W) for Authorization to Implement a Low Income Assistance Program, an Increasing Block Rate Design, and a Water Revenue Adjustment Mechanism.	Application 06-11-010 (Filed November 22, 2006)
Application of San Jose Water Company (U 168 W) for an Order Approving its Proposal to Implement the Objectives of the Water Action Plan.	Application 07-03-019 (Filed March 19, 2007)

**SUBURBAN WATER SYSTEMS LATE-FILED NOTICE OF EX PARTE MEETING  
WITH COMMISSIONER ADVISORS**

MANATT, PHELPS & PHILLIPS, LLP  
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February 4, 2008

Attorney for Applicant  
Suburban Water Systems

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities.	Investigation 07-01-022 (Filed January 11, 2007)
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**SUBURBAN WATER SYSTEMS LATE-FILED NOTICE OF EX PARTE MEETING  
WITH COMMISSIONER ADVISORS**

Pursuant to Article 8 of the Rules of Practice and Procedure of the California Public Utilities Commission, Suburban Water Systems ("Suburban") hereby files this notice of an ex parte meeting with Stephen St. Marie and Laura Krannawitter, advisors to Commissioner Bohn.<sup>1</sup> The meeting took place on January 29, 2008 at 12:15 p.m. at the California Public Utilities Commission, 505 Van Ness Avenue, San Francisco, CA, 94102. In attendance were

<sup>1</sup> This notice is one day late, due to a computer systems overhaul at the offices of counsel for Suburban. The one-day delay in filing this ex parte notice does not prejudice the interests of any party to this proceeding.

Mr. St. Marie and Ms. Krannawitter, and Michael Quinn, President, Suburban, Robert Kelly, Vice President Regulatory Affairs, Suburban, and Lori Anne Dolqueist, counsel, Manatt, Phelps & Phillips. The lasted one half hour and consisted of the oral and written communications described below.

Suburban discussed the January 15, 2008 Proposed Decision in the above-referenced proceeding. Messrs. Quinn and Kelly and Ms. Dolqueist expressed support for the decision, in particular its approval of the settlement agreements entered into by Suburban. Suburban noted, however, that it did not agree with the Proposed Decision's rejection of Suburban's request to recover its costs for participating in the proceeding. Messrs. Quinn and Kelly and Ms. Dolqueist explained that Suburban has incurred over \$200,000 in expenses so far and distributed a table of the timeline for the expenses (Exhibit A). Ms. Dolqueist explained that the expenses are not already included in current rates, that recovery of these expenses would not constitute retroactive ratemaking, and noted that recovery of these expenses is consistent with Commission policy and precedent. Mr. Kelly observed that adopting the Proposed Decision's disallowance of these expenses would mean that Suburban would have no opportunity to recover expenses that it was ordered by the Commission to incur. Mr. Kelly distributed copies of an advice letter filed by California-American Water Company for recovery of similar expenses associated with this proceeding, which the Commission rejected (Exhibit B). Suburban argued that the Commission should modify the Proposed Decision to allow Suburban to recover the expenses it incurs associated with this proceeding.

Dated: February 4, 2008

Respectfully submitted,

By: 

Lori Anne Dolqueist

Attorney for Applicant  
Suburban Water Systems

## PROOF OF SERVICE

I, Cinthia A. Velez, declare:

I am a citizen of the United States and employed in San Francisco County, California. I am over the age of eighteen years and not a party to the within-entitled action. My business address is One Embarcadero Center, 30th Floor, San Francisco, California 94111. On February 4, 2008, I served a copy of the within document(s):

*Suburban Water Systems Late-Filed Notice of Ex Parte Meeting  
with Commissioner Advisors*

on the interested parties in this action addressed as follows:

*See attached service list*

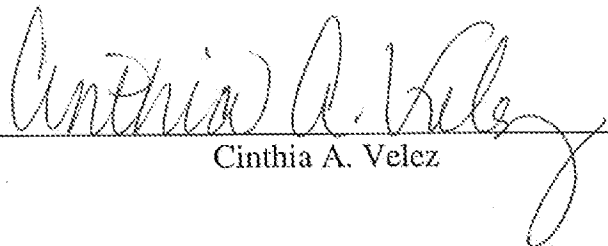


**(BY PUC E-MAIL SERVICE)** By transmitting such document electronically from Manatt, Phelps & Phillips, LLP, San Francisco, California, to the electronic mail addresses listed above. I am readily familiar with the practice of Manatt, Phelps & Phillips, LLP for transmitting documents by electronic mail, said practice being that in the ordinary course of business, such electronic mail is transmitted immediately after such document has been tendered for filing. Said practice also complies with Rule 2.3(b) of the Public Utilities Commission of the State of California and all protocols described therein.



**(BY MAIL)** By placing such document(s) in a sealed envelope, with postage thereon fully prepaid for first class mail, for collection and mailing at Manatt, Phelps & Phillips, LLP, San Francisco, California following ordinary business practice. I am readily familiar with the practice at Manatt, Phelps & Phillips, LLP for collection and processing of correspondence for mailing with the United States Postal Service, said practice being that in the ordinary course of business, correspondence is deposited in the United States Postal Service the same day as it is placed for collection.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct and that this declaration was executed on February 4, 2008, at San Francisco, California.

  
Cinthia A. Velez

## Service List

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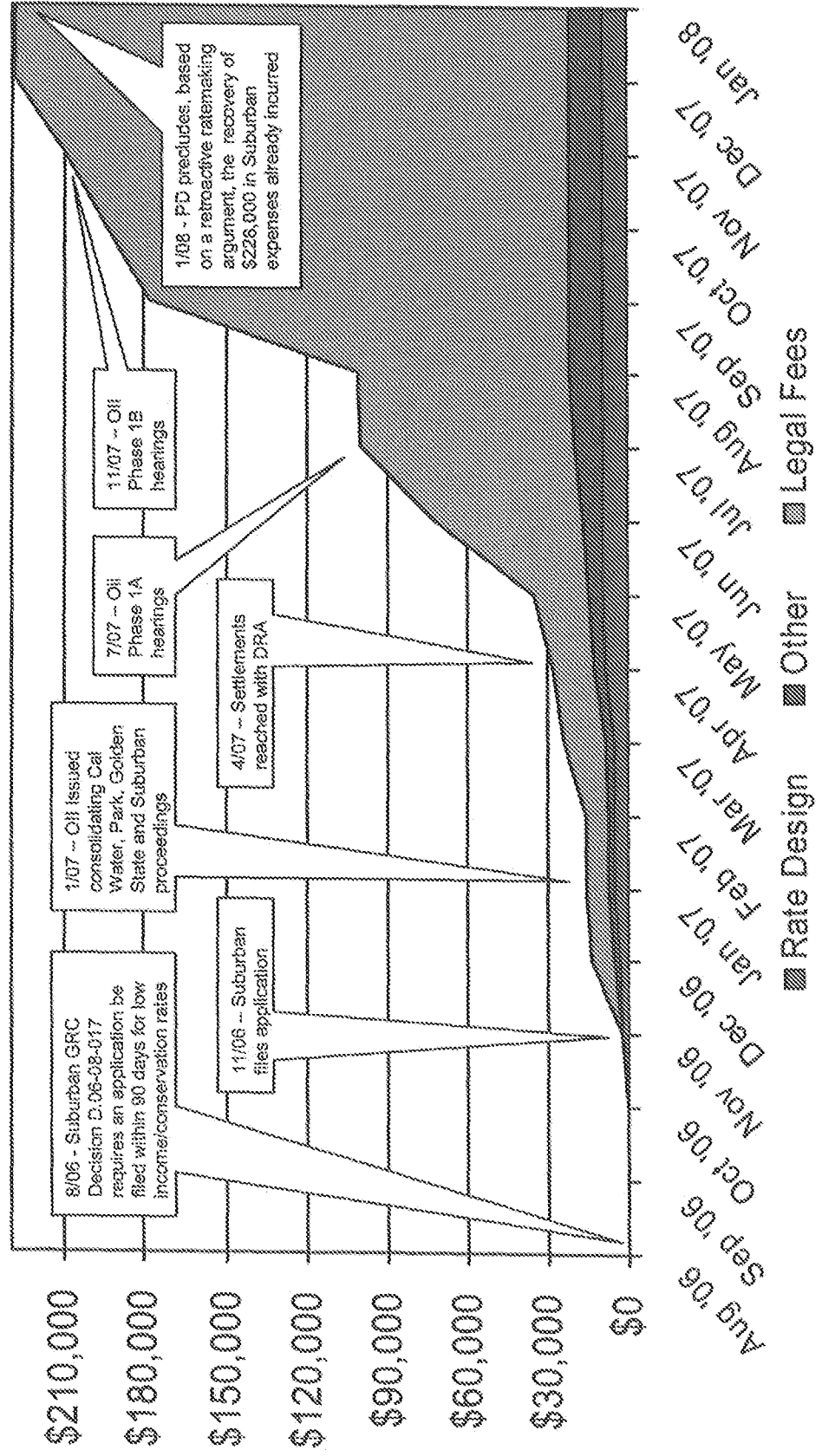
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**Exhibit A**

# Suburban Water Systems

## Cumulative Costs Incurred Pursuant to D.06-08-017 And Subsequent Re Conservation/Low Income Rates



**Exhibit B**



PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



November 13, 2007

David Stephenson  
Director of Rates & Planning  
California-American Water Company  
4701 Beloit Drive  
Sacramento, CA 95838

Dear Mr. Stephenson:

This is to inform you that the Water and Audits Division (Division) has reviewed California-American Water Company's (Cal-Am) advice letter of October 16, 2007 (Advice Letter 676-W), requesting authority to establish a memorandum account to track expenses arising from Cal-Am's participation in the Conservation Order Instituting Investigation (Conservation Off). The Division regrets to inform you that it cannot support your request for such a memorandum account. It is hereby rejected without prejudice.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Fred L. Curry'.

Fred L. Curry, Chief  
Water and Sewer Advisory Branch  
Water and Audits Division



# California-American Water Company

4701 Beloit Drive • Sacramento, CA 95838-2434 • (916) 568-4200 • FAX (916) 568-4260

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WATER DIVISION

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NOV 13 2007

PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

October 16, 2007

**ADVICE LETTER NO. 676-W**

**(California-American Water Company ID U-210-W)**

TO THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA  
DIVISION OF WATER AND AUDITS

**SUBJECT:** Establish Conservation Order Instituting Investigation Cost Memorandum  
Account to Track Such Costs of California-American Water Company

California-American Water Company (Applicant or California American Water) (U210W) hereby submits for filing the following tariff sheets that are applicable to all of its districts and are attached hereto:

<u>C.P.U.C. Sheet No.</u>	<u>Title of Sheet</u>	<u>Canceling Sheet No.</u>
4569-W	Preliminary Statement (continued)	4466-W
4570-W	TABLE OF CONTENTS	4568-W

## **PURPOSE**

California American Water hereby requests authority to create the Conservation Order Instituting Investigation Cost Memorandum Account ("COICMA") to track California American Water's costs of participating in the California Public Utilities Commission's (Commission) Conservation Order Instituting Investigation proceeding. (I. 07-01-022, *Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities*, filed January 11, 2007, mailed January 16, 2007 (Conservation OII).) California American Water will seek recovery of these costs in its 2008 General Rate Case.

## **BACKGROUND**

### **1. History of the Conservation Order Instituting Investigation**

On January 11, 2007, the Commission adopted its Conservation OII to "address policies to achieve the Commission's conservation objectives for Class A water utilities by requesting comments on increasing block rates, water revenue adjustment mechanisms, rebates and customer education, conservation memorandum accounts, and rationing programs. [The Commission] also consolidate[d] pending conservation rate design applications to set rates and adopt mechanisms and programs in accordance with policies adopted in this proceeding." (Conservation OII at 1.) Later, Assigned Commissioner Bohn bifurcated the proceeding into two phases. Phase 1 would address





# California-American Water Company

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October 16, 2007  
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rate design-related conservation measures and Phase 2 would consider the non-rate design conservation measures. (*Assigned Commissioner's Ruling and Scoping Memo*, I 07-01-022, March 8, 2007.) Administrative Law Judge Grau then bifurcated Phase 1 into Phase 1A and 1B. Phase 1A addressed the conservation rate design applications of Suburban Water Company, California Water Service Company, and Park Water Company. Phase 1B will address two sets of issues: (1) the conservation rate design applications of Golden State Water Company and San Jose Water Company and (2) the impact of conservation and regulatory adjustment mechanisms on risks borne by water utilities, and whether the Commission should adjust water utilities' returns on equity (ROE). (*Administrative Law Judge's Ruling Consolidating Application of San Jose Water Company, Modifying Schedule and Addressing Phase I Hearings*, I. 07-01-022, May 29, 2007). At this point, there are three phases to this proceeding: Phase 1A, Phase 1B, and Phase 2.

## 2. California American Water Will Incur Substantial Costs as a Result of Participating in this Proceeding.

When the Commission issued the Conservation OII, California American Water did not expect to be a highly active participant in the proceeding, and thought that it would be able to participate in the proceeding using in-house resources. As the assigned Commissioner and Administrative Law Judge divided the proceeding into multiple phases and considered more complex and wide-ranging issues, however, and as the Commission deferred general rate case issues to the Conservation OII, it became evident that California American Water would have to increase its level of participation. Moreover, due to the complexity of the issues, California American Water realized that it would need the assistance of subject matter experts and outside legal counsel to participate in the proceeding. Naturally, when these resources are required, the cost of participation increases significantly.

Specifically, the Commission's decision in the revenue requirement phase of California American Water's general rate case for its Los Angeles District, D.07-08-030, deferred the issue of the impact of conservation and regulatory adjustment mechanisms on ROE to Phase 1B the Conservation OII. Similarly, the Commission may transfer consideration of some portions of the rate design phase of California American Water's general cases for its Coronado, Larkfield, Sacramento and Village Districts (A.07-01-036, *et al.* (Sacramento general rate case)) to a subsequent phase of the OII. California American Water did not anticipate these developments at the time it filed its general rate case applications. Indeed, as discussed below, California American Water's Los Angeles general rate case application predates the issuance of the Conservation OII and the Sacramento general rate case was filed shortly after the Conservation OII was mailed.

California American Water expects to file its next general rate case application on January 16, 2008, with rates effective on July 1, 2009. In this application California American Water will request that the Commission authorize it to recover the accumulated costs in this memorandum account through a surcharge on all customer bills.

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STATE OF CALIFORNIA





### 3. The Commission Regularly Authorizes the Recovery of Regulatory Expenses Through Rates.

The costs of participating in Commission proceedings are regularly included in the rates of regulated utilities. In particular, water utilities regularly include costs of general rate cases as part of regulatory expense, which is recovered as part of normal operating costs. These costs include, but are not limited to, cost of outside counsel and retained experts. This OII is unique in that it requires participation in much the same manner as a general rate case and addresses issues that the Commission normally resolves in a general rate cases. The OII is not limited, however, to a particular district or general rate case and, as such, were not included as part of California American Water's forecasted regulatory expenses.

California American Water's request to establish the COIICMA meets the test for determining the appropriateness of memorandum accounts. In Resolution W-4276, the Commission held that memorandum accounts are appropriate when:

- The expense is caused by an event of an exceptional nature that is not under the utility's control.
- The expense cannot have been reasonably foreseen in the utility's last General Rate Case ("GRC") and will occur before the utility's next scheduled rate case.
- The expense is of a substantial nature in the amount of money involved.
- The ratepayers will benefit by the memorandum account treatment.

(Resolution W-4276, 2001 Cal. PUC LEXIS 685, \*5.) California American Water's request here meets each of these requirements.

First, the Commission opened this proceeding to "address policies to achieve the Commission's conservation objectives for Class A water utilities by requesting comments on increasing block rates, water revenue adjustment mechanisms, rebates and customer education, conservation memorandum accounts, and rationing programs." (I. 07-01-022, *Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities*, filed January 11, 2007, mailed January 16, 2007.) Ordering Paragraph 2 of the Conservation OII made all Class A water utilities respondents to this investigation and Ordering Paragraph 4 placed those utilities on notice "that the Commission, for good cause, and to advance the public interest," may enter orders that apply to all Class A utilities. The opening of this proceeding and the application of its orders to all Class A utilities was not under California American Water's control.

Second, the expense could not have been reasonably foreseen in the California American Water's previous general rate cases and will occur before its next scheduled rate case. The Conservation OII





# California-American Water Company

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was issued after California American Water completed and filed its general rate case application for its Los Angeles District (A.06-01-005) and just days before it filed its Coronado, Larkfield, Sacramento and Village Districts (A. 07-01-036 *et al.*), therefore, California American Water did not include costs related to the Conservation OII in those applications. Moreover, the Commission expanded the scope of the proceeding over time to include more issues that directly affect California American Water. By the time the full extent of California American Water's participation became clear, any possibility of updating its general rate applications, already unlikely under the Commission's Rate Case Plan, had long since passed.

Third, the expenses to participate in the Conservation OII are expected to be substantial due to the complexity of the issues, the multiple parties and intervenors, and the many phases in this proceeding. California American Water currently estimates its expenses to be \$300,000 in 2007, \$200,000 in 2008, and \$100,000 in 2009.

Finally, ratepayers will benefit by memorandum account treatment because these necessary costs will be normalized and spread over a reasonable period of time. Ratepayers will also benefit from California American Water's implementation of conservation programs that are consistent with the Commission's orders in this proceeding.

## CONSERVATION ORDER INSTITUTING INVESTIGATION COSTS

### MEMORANDUM ACCOUNT

In this advice filing, California American Water requests authority to establish the COIICMA and to record the costs California American Water incurs to participate in the Commission's Conservation OII. These costs will include, but will not be limited to, work performed by subject matter experts, legal counsel, all required customer notifications, and all employee expenses related to this matter.

### EFFECTIVE DATE

California American Water requests that this advice filing become effective on the filing date of this Advice Letter, which is October 16, 2007.

### NOTICE

In accordance with Public Utilities Code Section 491, notice to the public is hereby given by filing and keeping the advice filing at California American Water's offices at 303 H Street, Chula Vista, California 91910. In accordance with General Order 96-B, General Rules 4.3 and 7.2, and Water Rule 4.1, copies of this advice filing have been furnished to all parties on the attached service list.

Anyone wishing to protest this advice filing may do so by letter via U.S. Mail, facsimile, or email. All protests must be received no later than 20 days after the date of this advice filing. Protests should be mailed to:

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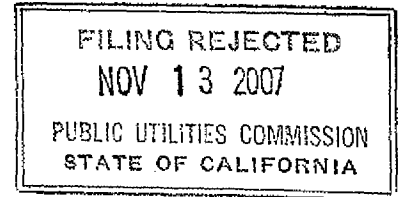


# California-American Water Company

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California Public Utilities Commission  
Division of Water and Audits  
505 Van Ness Avenue  
San Francisco, California 94102  
Email: [water\\_division@cpuc.ca.gov](mailto:water_division@cpuc.ca.gov)  
Facsimile: (415) 703-4426



Copies should also be mailed to the attention of Fred Curry, Director, Division of Water and Audits at the same above street address or at [flc@cpuc.ca.gov](mailto:flc@cpuc.ca.gov).

In addition, protests and all other correspondence regarding this advice letter should also be sent by letter and transmitted via facsimile or electronically to the attention of:

David P. Stephenson  
Director of Rates & Planning  
California-American Water Company  
4701 Beloit Drive  
Sacramento, CA, 95838

Facsimile: (916) 568-4260  
E-Mail: [dstephen@amwater.com](mailto:dstephen@amwater.com)

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The protest shall set forth specifically the factual, legal, or policy grounds upon which it is based. The protest shall also describe the effect that approval of the advice letter might have on the protestant. If the protest requests an evidentiary hearing, the protest must state the facts protestant would present at an evidentiary hearing.





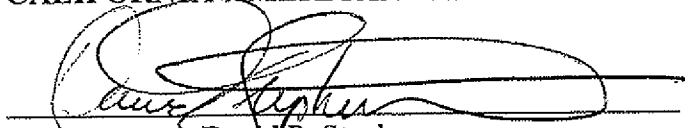
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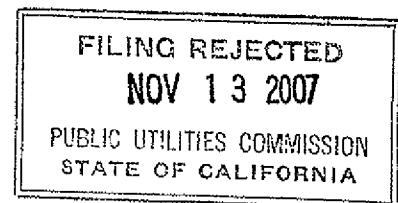
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Questions relating to this advice filing should be addressed to Darlene Clark, Esq., California-American Water Company, at (916) 568-2435 or [darlene.clark@amwater.com](mailto:darlene.clark@amwater.com).

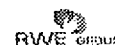
## CALIFORNIA-AMERICAN WATER COMPANY

  
David P. Stephenson

Enclosures



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**Exhibit A**

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STATE OF CALIFORNIA

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Fort Ord Reuse Authority  
100 12<sup>th</sup> Street, Building 2880  
Marina, CA 93922

David A. McCormick  
Department of Defense  
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Room 700  
Arlington, VA 22203-183

Sunnyslope Water Company  
1040 El Campo Drive  
Pasadena, CA 91109



**hibit A**

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PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

San Gabriel County Water District  
725 N. Azusa Avenue  
Azusa, CA 91702

Azusa Valley Water Company  
617 North Azusa Avenue  
Azusa, CA 91702

City of El Monte  
Attention M. Helen Lopez, CMC  
Chief Deputy City Clerk/Rcrds Mgr  
11333 Valley Blvd  
El Monte CA 91731-3293

City of Los Angeles  
Department of Water and Power  
111 North Hope Street  
Los Angeles, CA 90012  
Attn: City Attorney

Fruitridge Vista Water Company  
P.O. Box 15170  
Sacramento, CA 95851

Florin County Water District  
P.O. Box 292055  
Sacramento, CA 95829

Placer County Water Agency  
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Santa Rosa, CA 95403

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County of Sacramento  
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Sacramento, CA 95814

San Hare, City Clerk  
City of Citrus Heights  
6237 Fountain Square Drive  
Citrus Heights, CA 95621

Linda Gonzalez, City Clerk  
City of Isleton  
P.O. Box 716  
Isleton, CA 95641

Anthony La Bouff, County Counsel  
Placer County  
175 Fulweiler Avenue  
Auburn, CA 95603

Sacramento County WMD  
827 7<sup>th</sup> Street, Room 301  
Sacramento, CA 95814

Citrus Heights Water District  
6230 Sylvan Road  
Citrus Heights, CA 95610

James Boulter  
Larkfield/Wikiup Water District Advisory  
133 Eton Court  
Santa Rosa, CA 95403

James Bajgrowicz  
235 Wikiup Meadows Drive  
Santa Rosa, CA 95403

Harriet Burt  
California Public Utilities Commission  
Public Advisor Office, Room 2103  
505 Van Ness Avenue  
San Francisco, CA 94102-3214

Larkfield/Wikiup Water District Advisory  
c/o Lescure Engineers, Inc.  
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Santa Rosa, CA 95403

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County Clerk  
County of San Diego  
220 West Broadway  
San Diego, CA 92101

Jim McCauley  
County Clerk  
2954 Richardson Drive  
Auburn, CA 95603

City Clerk  
City of San Diego  
202 'C' Street  
San Diego, CA 92101

City Clerk  
City of Imperial Beach  
P.O. Box 427  
Imperial Beach, CA 92032

City Clerk  
City of Chula Vista  
276 Fourth Avenue  
Chula Vista, CA 91910

City Clerk  
City of Coronado  
1825 Strand Way  
Coronado, CA 92118

City of Thousand Oaks Water Dept.  
2100 E. Thousand Oaks Blvd.  
Thousand Oaks, CA 91362

County of Ventura  
800 South Victoria Avenue  
Ventura, CA 93009

**hibit A**

NOV 13 2007

California Water Service  
P.O. Box 49062  
San Jose, CA 95161-9062

City of Camarillo  
601 Carmen Drive  
Camarillo, CA 93010

Ventura County Waterworks District  
7150 Walnut Canyon Road  
P.O. Box 250  
Moorpark, CA 93020

City of Monterey  
City Hall  
Monterey, CA 93940  
Attn: City Clerk

Residents Water Committee  
27195 Meadows Road  
Carmel, CA 93923  
Attn: Pat Bernardi

Ross G. Hubbard  
City of Pacific Grove  
c/o City Manager's Office  
300 Forest Ave, 2<sup>nd</sup> floor  
Pacific Grove, CA 93950

Karen Crouch  
City Clerk,  
Carmel-By-The-Sea  
PO Box CC  
Carmel-by-the-Sea, CA 93921

City of Sand City  
City Hall  
California & Sylvan Avenues  
Sand City, CA 93955  
Attn: City Clerk

City of Seaside  
City Hall  
440 Harcourt Avenue  
Seaside, CA 93955  
Attn: City Clerk

Darlene Drain  
County Clerk  
County of Monterey  
P.O. Box 1728  
Salinas, CA 93902

City of Del Rey Oaks  
City Hall  
650 Canyon Del Rey Road  
Del Rey Oaks, CA 93940  
Attn: City Clerk

Pebble Beach Company  
P.O. Box 1767  
Pebble Beach, CA 93953  
Attn: Steven Eimer

Bishop Water Company  
11552 Hidden Hills Road  
Carmel Valley, CA 93924

Alco Water Service  
249 Williams Road  
Salinas, CA 93901

Hoge, Fenton, Jones, & Appel, Inc.  
P.O. Box 791  
Monterey, CA 93942  
Attn: Thomas H. Jamison  
Attn: Ronald F. Scholl

Richard Andrews  
General Manager  
Pebble Beach Community Svcs. District  
Forest Lake and Lopez Roads  
Pebble Beach, CA 93953

Ronald J Lundquist, P.E.  
Deputy Pub Works Director – Operations  
Monterey County DPW  
168 W. Alisal Street, 3<sup>rd</sup> floor  
Salinas, CA 93901-2680

San Jose Water Company  
374 W. Santa Clara St  
PO Box 229  
San Jose, CA 95196

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City Attorney  
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Carmel Area Wastewater District  
3945 Rio Road  
Carmel, CA 93923

Monterey Regional Water Pollution Control  
Agency (MRWPCA)  
5 Harris Court Road. Bldg D:  
Monterey, CA 93940

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California Public Utilities Commission, DRA  
505 Van Ness Avenue  
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California Dept of Health Services  
Division of Drinking Water & Environmental  
Management  
PO Box 997416  
Sacramento, CA 95899-7413

State Water Resources Control Board  
PO Box 100  
Sacramento, CA 95812

Gary E. Hazelton  
County Clerk – Recorder  
Santa Cruz County  
701 Ocean Street, Room 210  
Santa Cruz, CA 95060

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County of Monterey  
168 W. Alisal Street, 3<sup>rd</sup> floor  
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Efren N. Iglesia  
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## hibit A

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City of Salinas  
200 Lincoln Avenue  
Salinas, CA 93901

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City of Carmel-By-The-Sea  
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City of Monrovia  
City Clerk  
415 South Ivy Ave  
Monrovia, CA 91016

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Division of Ratepayer Advocates  
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Los Angeles, CA 900043

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Utility Workers Union of America  
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5050 North Irwindale Avenue  
Irwindale, CA 91706

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Inglewood, CA 90303

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NOV 13 2007

PUBLIC UTILITY COMMISSION

STATE OF CALIFORNIA

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City Attorney  
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## Exhibit A

Rex Ball  
Senior Real Property Mgmt  
County of Los Angeles  
222 South Hill St, 3<sup>rd</sup> floor  
Los Angeles, CA 90012

Stan Lee  
Park & Recreation Commissioner  
County of Los Angeles  
433 S. Vermont Ave  
Los Angeles, CA 90020

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Richards, Watson & Gershon  
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San Marino, CA 91118

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Los Angeles, CA 90013

Tatiana Olea  
California Public Utilities Commission  
Water Branch, Rm 4104  
505 Van-Ness Ave  
San Francisco, CA 94102-3214

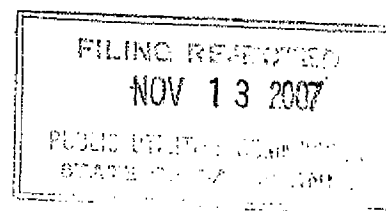
City of Duarte  
County Recorder  
1600 Huntington Drive  
Duarte, CA 91010

Carol Robb  
City Clerk  
2200 Huntington Drive, 2<sup>nd</sup> floor  
San Marino, CA 91108

City of Rosemead  
City Clerk  
8838 E. Valley Blvd  
Rosemead, CA 91770

Temple City  
City Clerk  
9701 Las Tunas Dr.  
Temple City, CA 91780

City of San Gabriel  
City Clerk  
425 S. Mission Drive  
San Gabriel, CA 91776



PRELIMINARY STATEMENT  
(continued)

**SHEET REJECTED**  
**NOV 13 2007**  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

Q. Felton Low-Income Ratepayer Assistance ("LIRA") Program Memorandum Account

In accordance with D. 06-11-050, this memorandum account is to track (1) the recorded reduction in billed service charge revenue that results from providing the discount to qualified customers (debit), (2) program costs for incremental activities associated with the program (debit), (3) franchise fee and uncollectible expenses (credit), and (4) monthly interest based on the 90-day commercial paper rate.

R. Conservation Order Instituting Investigation Cost Memorandum Account ("COLICMA")

This memorandum account is to track California American Water's costs of participating in the California Public Utilities Commission's (Commission) Conservation Order Instituting Investigation proceeding. (I. 07-01-022, *Order Instituting Investigation to Consider Policies to Achieve the Commission's Conservation Objectives for Class A Water Utilities*, filed January 11, 2007, mailed January 16, 2007.) California American Water will seek recovery of these costs in its 2008 General Rate Case. These costs will include, but will not be limited to, work performed by subject matter experts, legal counsel, all required customer notifications and all employee expenses related to this matter.

(N)

(N)

(continued)

(TO BE INSERTED BY UTILITY)

ADVICE LETTER NO. 676

ISSUED BY

D. P. STEPHENSON

NAME

(TO BE INSERTED BY C.P.U.C.)

DATE FILED OCT 16 2007

EFFECTIVE

DECISION NO. \_\_\_\_\_

MGR - RATES & REGULATION

TITLE

RESOLUTION NO. \_\_\_\_\_

TABLE OF CONTENTS

The following listed tariff sheets contain all effective rates and rules affecting the charges and services of the Utility, together with other pertinent information:

<u>SUBJECT MATTER OF SHEET</u>	<u>C.P.U.C. SHEET NO.</u>
TITLE PAGE	4107-W
TABLE OF CONTENTS	4570-W, 4567-W, 4566-W (T) 4533-W, 4045-W, 4046-W, 4555-W
PRELIMINARY STATEMENTS	4143-W, 4144-W, 4464-W, 4465-W 4569-W (T)
SERVICE AREA MAP	
California-American Water Company	4129-W
Baldwin Hills	995-W, 996-W
Coronado	2235-W
Duarte	1633-W, 941-W, 942-W
Felton	4130-W
Larkfield	4313-W
Montara	4132-W
Monterey Peninsula	4316-W, 2740-W, 2741-W 2742-W, 2752-W, 2744-W 2745-W, 4315-W, 4293-W, 944-W, 945-W, 947-W/955-W, 957-W/964-W, 966-W/969-W, 971-W/984-W, 4042-W, 4043-W
Sacramento	4133-W, 4530-W, 4529-W, 4136-W 4137-W, 4138-W, 4139-W, 4140-W 4141-W, 4142-W,
San Marino	935-W/937-W, 513-W, 1986-W
Village	2607-W

(Continued)

SHEET REJECTED  
NOV 13 2007  
PUBLIC UTILITIES COMMISSION  
STATE OF CALIFORNIA

(TO BE INSERTED BY UTILITY)

ISSUED BY

(TO BE INSERTED BY C.P.U.C.)

ADVICE LETTER NO. 676

D. P. STEPHENSON

DATE FILED OCT 16 2007

DECISION NO.

MANAGER- RATES & REGULATION

EFFECTIVE

RESOLUTION NO.

TITLE